REMARKS

Claims 1-3, 5-10, 12 and 13 are pending in the application. The Examiner objected to Claims 1-3, 7 and 8. The Examiner has rejected Claims 1-3, 5-10, 12 and 13 under 35 U.S.C. §103(a) as being unpatentable over Jeon et al. (U.S. 5,727,029) in view of Zandi et al. (U.S. Patent 6,195,465).

The Examiner objected to Claims 1-3, 7 and 8, and requested that the letter "l" be changed to "n" for clarification purposes. Claims 1-3, 7 and 8 have been amended to reflect this suggestion. Withdrawal of the objection of Claims 1-3, 7 and 8 is respectfully requested.

Regarding the rejections of independent Claims 1 and 7 under §103(a), the Examiner states that Jeon et al. in view of Zandi et al. discloses all of the elements recited in the claims. The Examiner cites Zandi et al. as disclosing the element of the intervals occupying a range m x 2¹ (1 is a positive integer) where the transmission signal level from the transmitter is m, as recited in independent Claims 1 and 7. However, the Examiner goes on to state that Zandi et al. merely discloses the quantization levels can be a function of the transmission channel, and that this renders obvious the recitations of Claims 1 and 7. Applicants respectfully disagree. The Examiner cites Zandi et al. at col. 47, line 64 – col. 48, line 4 which states:

"Lossy compression provided by the present invention is achieved by embedded quantization. That is, the codestream includes the quantization. The actual quantization (or visual importance) levels can be a function of the decoder or the transmission channel, not necessarily the encoder. If the bandwidth, storage, and display resources allowed it, the image is recovered losslessly. Otherwise, the image is quantized only as much as required by the most limited resource."

The Examiner states it would have been obvious to occupy the range of m x 2¹ as recited in the claims, even though neither of the cited references points to using this specific range. Jeon et al. does not cure this defect. Based on at least the foregoing argument, withdrawal of the rejection of Claims 1 and 7 is respectfully requested.

Independent Claims 1 and 7 are believed to be in condition for allowance. Without conceding the patentability per se of dependent Claims 2, 3, 5, 6, 8-10, 12 and 13, these are likewise believed to be allowable by virtue of their dependence on their respective amended independent claims. Accordingly, reconsideration and withdrawal of the rejections of dependent Claims 2, 3, 5, 6, 8-10, 12 and 13 is respectfully requested.

Accordingly, all of the claims pending in the Application, namely, Claims 1-3, 5-10, 12 and 13, are believed to be in condition for allowance. Should the Examiner believe that a telephone conference or personal interview would facilitate resolution of any remaining matters, the Examiner may contact Applicants' attorney at the number given below.

Respectfully submitted,

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